

South Carolina Health Insurance Policy Advisory Committee

HIPAC BRIEF – JANUARY 16, 2003

SUMMARY OF SOME EXISTING POLICY COVERAGE OPTIONS:

HIFA SECTION 1115 WAIVER

- Provides statewide opportunities to maximize the use of private health insurance coverage using Medicaid and SCHIP funding.
- ELIGIBILITY:
 1. Optional populations:
 - In Medicaid include children, families, and pregnant women with income above federal minimum income levels.
 - Disabled and elderly individuals with income above Social Security income levels and the medically needy are also part of this population.
 - All children covered through SCHIP are optional populations, as are parents in an SCHIP premium assistance or family coverage program coverable under the state plan.
 2. Expansion populations:

Individuals not previously covered under Medicaid or SCHIP. Primarily includes childless adults, pregnant women over age 19 and above 185 percent of the FPL, and some small subgroups, such as non-relative caretakers and non-custodial parents.
 3. Uninsured population below 200 percent of FPL.
- DEMONSTRATION WAIVERS BY STATE

Arizona: 2 phase HIFA demonstration expands coverage to childless adults up to 100% FPL and to parents of Medicaid/SCHIP eligible children between 100 and 200% FPL.

California: HIFA demonstration expands coverage to parents of Medicaid and SCHIP eligible children to 200% FPL.

Maine: Proposed HIFA demonstration would expand coverage to childless adults up to 125% FPL.

Oregon: 2 pending demonstration waivers would raise Medicaid eligibility to 185% FPL using either the Medicaid/SCHIP benefit package or a limited package. They would also leverage federal funds for employer-sponsored insurance through the Family Health Insurance Assistance Program.

Utah: Approved waiver creates the primary Care Network (PCN) which offers limited benefit packages to uninsured adults to 150% FPL with an emphasis on primary and preventative care.

Colorado: Demonstration waiver provides coverage for pregnant women from 134% through 185% FPL.

Illinois: Demonstration waiver provides coverage to parents of KidCare eligibles up to 185% FPL.

New Mexico: HIFA waiver extends coverage to childless adults and parents of Medicaid and SCHIP children up to 200% FPL.

RHODE ISLAND RITE SHARE PROGRAM

- Implemented in the Spring of 2001.
- Provides premium subsidy to employee costs in an effort to allow employees to remain in an employer-sponsored plan.
- Goal of program: "The intent of the program design is to coordinate with the existing commercial insurance market, to cause a minimum disruptions for insurers, employer, and providers while ensuring continuity of coverage for enrollees."
- Mandatory enrollment under both Medicaid and SCHIP

MASS INSURANCE PARTNERSHIP

- Implemented in 2000.
- Goal of Program: "The Insurance Partnership provides qualified employers with an incentive payment to support their purchase of employer-sponsored health insurance. This incentive payment partially offsets the qualified employer's contribution toward approved health insurance for qualified employees."
- For employers with less than 50 employees or are self-employed and must contribute at least 50% of the total premium cost.
- Annual payments range from \$400 for a single insured to \$1,000 for full family.

KANSAS EMPLOYER HEALTH INSURANCE CONTRIBUTION CREDIT

- Effective for all taxable years beginning after December 31, 1999.
- Provides an income tax credit to employers for amounts paid during the taxable year on behalf of eligible employees to provide health insurance or care.
- Credit amount for the first 2 years is \$35 per month per eligible employee or 50% of the total paid amount by the employer during the taxable year, whichever is less.

See hand out for other States providing state-only tax incentives.

TAX CREDIT PROGRAMS

Tax credits have been used for the following:

- Buy into Medicaid, SCHIP or FEHB programs
- Cover employee or employer contributions to employer-sponsored coverage
- Buy coverage through purchasing pools
- Assist individuals during employment transitions
- Purchase coverage in the individual market

HEALTHY NEW YORK

- Began enrolling people in January 2001.
- Businesses with 50 or less employees, one employee for sole proprietor, and one for low-income uninsured workers.
- To qualify as eligible employer at least 30% of the employees must earn no more than \$30,000 and at least one employee needs to be enrolled in the plan. At least half of the eligible employees in the group must participate and the group cannot have provided health insurance to its employees in the preceding 12 months.
- Sole proprietors and individuals must have household incomes below 250% of the FPL, must not be eligible for Medicare or private insurance, and must not have had coverage in the last 12 months.
- All licensed HMOs in New York must participate and other carriers have an option to participate.
- Design features of the plans:
 1. A stop loss fund was created by the state to pay for up to 90% of the costs of enrollees with annual claims between \$30,000 and \$100,000.
 2. The benefit package is leaner than what is currently available in the NY individual or small group market.
 3. Copayments are required and members must go to network providers.

DELEWARE COMMUNITY HEALTHCARE ACCESS PROGRAM

- Goal of Program – to provide low cost or no cost primary care “medical homes” to individuals within established income limits and who are not eligible for the State Health Plan or SCHIP. Statewide access to medical subspecialty services is also provided. Discounted lab, x-ray and pharmaceuticals is being considered.
- Eligibility determined by “Care Coordinators” and/or Social Services at 12 different locations throughout the State.
- There are no special arrangements made with area hospital patient admissions.

WASHINGTON STATE BASIC HEALTH PROGRAM

- Created in 1987 to provide access to health insurance for low-income residents. The Program expanded Medicaid eligibility and a state funded prenatal care program, added adult dental coverage, implemented a high risk pool for uninsurable, and provided grants to selected hospitals who provide uncompensated care.
- Enrollees pay a sliding scale premium based on family size, income, age and benefits selected. Minimum single adult premium is \$10.
- Financial sponsors include providers, Native American Tribes or nations, local governments, church groups, benefactors, and other non-profit agencies.